

Ulster County Economic Development Alliance
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MINUTES

Special Meeting of the Board of Directors
May 23, 2017

A meeting of the Board of Directors of the Ulster County Economic Development Alliance was held on Tuesday, May 23, 2017, Legislative Chambers, 6th Floor, Ulster County Office Building, 244 Fair Street, Kingston, NY.

The following Board Members were present:

Julie Cohen-Lonstein	Chair
Burton Gulnick, Jr.	Treasurer
Hector Rodriguez	
Kenneth Crannell	

The following Board Members were absent:

James Maloney	Vice-Chair
Ward Todd	Secretary
Robert Sudlow	

Ulster County Office of Economic Development Staff:

Suzanne Holt, President & CEO
Timothy Weidemann
Bernadette Andreassen

Additional Attendees:

Geddy Sveikauskas	Ulster Publishing
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The meeting was called to order by Chair Julie Cohen-Lonstein at 4:40 p.m.

MINUTES

Motion: Burton Gulnick, Jr., seconded by Kenneth Crannell, moved to approve the Minutes of the May 2, 2017 meeting. A copy of said minutes is on file.

Vote: The motion was adopted.

This institution is an equal opportunity provider, employer, and lender.

FINANCIALS

Christopher J. Rioux, CPA, Deputy Commissioner of Finance, presented the financials for the period ending April 30, 2017. A copy of said financials is on file.

Motion: Hector Rodriguez, seconded by Kenneth Crannell, moved to approve the Financials for the period ending April 30, 2017.

Vote: The motion was adopted.

COMMITTEE REPORTS

Ulster County Revolving Loan Fund Committee

Organic Nectars: Timothy Weidemann advised the Board members that a meeting of the Ulster County Revolving Loan Fund Committee was held on May 11, 2017. At that time, the Committee reviewed the application of Organic Nectars. The company owner is in the process of expanding her business and purchasing capital equipment to improve production. A request was made for assistance through the Revolving Loan Fund in the amount of \$42,000.00 with \$15,000.00 of equity for a total project cost of \$57,000.00. The owner has identified the specific equipment she wishes to purchase and has presented a cash flow and profit/loss analysis based on the expected expansion, all of which documentation was reviewed by the Revolving Loan Fund Committee and the loan was approved at the May 11, 2017 meeting. A copy of said application is on file.

Hector Rodriguez questioned the amount of retail value of the new equipment used as part of the collateral in terms of security on the loan. Tim Weidemann explained that he identified the equipment the company was going to purchase with the proceeds of the loan and its own investment. He restated that new equipment holds the best possible resale value. In addition, the underwriting guidelines for the Revolving Loan Fund govern that all equipment with prior liens is fully discounted and not valued for the purposes of collateral; any other equipment without a lien is valued at fifty percent. Taking that into account, a collateral package was created which includes the company's new equipment to be purchased and a series of existing pieces of equipment specifically identified. The application was found to be strong on the cash flow standpoint and collateral. A personal guarantee was offered as well.

Hector Rodriguez wished to state that he is familiar with the business and recognizes that Organic Nectars is a strong business with an acknowledgement that many of the company's products are distributed throughout the region.

Motion: Kenneth Crannell, moved to approve the loan to Organic Nectars.

The motion was subsequently postponed.

Discussion: Hector Rodriguez disputed the position that this Board must approve funds for these particular loans. He stated that he believed traditionally the loans were in an account distributed by the County. Burton Gulnick, Jr. affirmed that the funds originated with the County, but were then transferred to UCDC, which then transferred them to the current Board.

It was thereafter determined that there is a need for this issue to be discussed separately at a near future date with the presence and advice of respective counsel to attain a resolution.

The members unanimously agreed to move forward to the next item on the agenda so that Mr. Rodriguez could contemplate a decision.

Upon returning to the agenda, there was no further discussion and the matter before the Board was resumed. Mr. Rodriguez stated that "for the good of the business", he would proceed and the motion continued.

Motion: Kenneth Crannell, seconded by Burton Gulnick, Jr., moved to approve the application and loan for Organic Nectars.

Vote: The motion was adopted.

AmeriBag: Tim Weidemann informed the Board that due to an upcoming sale of AmeriBag's real property, it was requested that a release of lien on the building encumbered by the existing loan be given to allow the owner to close on the sale by the end of May. Christopher J. Rioux, CPA, Deputy Commissioner of Finance, reported that the remaining balance on the loan to date was \$29,896.00. AmeriBag wishes to continue to make payments on the loan after the sale and release of lien. Mr. Weidemann advised the Board that it was the consensus of the Revolving Loan Fund Committee to decline said request. Suzanne Holt stated that this Board does not need to vote on this matter since under the contract if AmeriBag is not allowed to continue its loan without collateral, payment in full is required. Ms. Holt added that EDA's counsel will work with AmeriBag's counsel on preparing the necessary documentation.

No action is needed.

OLD BUSINESS

Suzanne Holt stated for the record that there was \$1355.00 related to the Tourism and Marketing campaign which has been paid from OED instead of UCEDA; therefore this amount will not come from UCEDA to go to the Ellenville Million. Mr. Gulnick advised the Board that this was regarding BBG&G and was not above their contract amount.

NEW BUSINESS

2016 IRS Form 990 and 2016 NYS CHAR-500 Form

Christopher J. Rioux explained that these documents were prepared by the auditors. They are informational returns which summarize all financial information included in the Audit as well as additional information regarding the EDA. (Copies of 2016 IRS Form 990 and 2016 NYS CHAR-500 Form are on file.)

Motion: Kenneth Crannell seconded by Burton Gulnick, Jr., moved to approve the 2016 IRS Form 990 and IRS Form 2016 NYS CHAR-500.

Vote: The motion was adopted.

Blackboard Bistro Invoice

An invoice was presented by Blackboard Bistro for the cost of coffee and tea served at the Grant Writing Workshop held in the Rondout Municipal Center on April 27, 2017 having approximately 140 people in attendance. With regard to the expense, Suzanne Holt added that she and her staff struggled to find a venue for the workshop which would be free of charge and large enough to accommodate the amount of people attending. The Rondout Municipal Center allowed us to use space as well as provided assistance in setting up and cleaning up, free of charge with a request only to have the coffee and tea served through this vendor, Blackboard Bistro.

Motion: Kenneth Crannell, seconded by Burton Gulnick, Jr., moved to approve the invoice from Blackboard Bistro in the amount of \$175.00.

Vote: The motion was adopted.

PUBLIC COMMENT

There were no requests for Privilege of the Floor.

ADJOURNMENT

Motion: Burton Gulnick, Jr., seconded by Hector Rodriguez, moved to adjourn the meeting.

Vote: The motion was adopted.

Meeting was adjourned at 5:05 PM.

Ward Todd, Secretary